

# **NEWS RELEASE**



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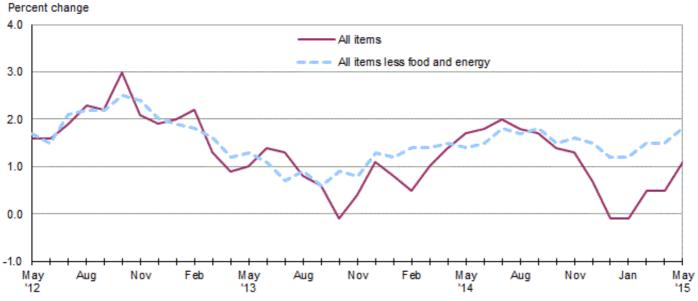
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# Consumer Price Index, Los Angeles area — May 2015 Area prices were up 1.0 percent over the past month, up 1.1 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 1.0 percent in May, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) Regional Commissioner Richard J. Holden noted that the May increase was influenced by higher prices for gasoline and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 1.1 percent. (See <u>chart 1</u> and <u>table A</u>.) Energy prices decreased 6.0 percent, largely the result of a decline in the price of gasoline. The index for all items less food and energy rose 1.8 percent over the year. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, May 2012-May 2015



Source: U.S. Bureau of Labor Statistics.

#### Food

Food prices decreased 0.7 percent for the month of May. (See <u>table 1</u>.) Prices for food at home declined 1.4 percent, but prices for food away from home advanced 0.3 percent for the same period.

Over the year, food prices advanced 1.4 percent. Prices for food away from home moved up 3.0 percent since a year ago, and prices for food at home rose 0.3 percent.

### **Energy**

The energy index jumped 13.3 percent over the month. The increase was mainly due to higher prices for gasoline (20.5 percent). Prices for natural gas service advanced 8.1 percent, while prices for electricity were unchanged for the same period.

Energy prices decreased 6.0 percent over the year, largely due to lower prices for gasoline (-7.7 percent). Prices paid for natural gas service moved down 10.0 percent, but prices paid for electricity rose 0.8 percent during the past year.

## All items less food and energy

The index for all items less food and energy advanced 0.3 percent in May. Higher prices for apparel (2.0 percent), recreation (0.5 percent), and shelter (0.4 percent) were partially offset by lower prices for household furnishings and operations (-0.6 percent), medical care (-0.4 percent), and education and communication (-0.3 percent).

Over the year, the index for all items less food and energy rose 1.8 percent. Components contributing to the increase included shelter (3.8 percent) and medical care (1.9 percent). Partly offsetting the increases were price declines in apparel (-2.9 percent), household furnishings and operations (-2.2 percent), and recreation (-1.9 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

	2010		2011		2012		2013		2014		2015	
Month	Monthly	Annual										
January	0.4	1.8	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8	-0.3	-0.1
February	0.0	1.4	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5	0.7	0.1
March	0.4	1.9	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0	1.0	0.5
April	0.2	1.9	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4	-0.1	0.5
May	0.2	1.8	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7	1.0	1.1
June	-0.2	0.9	-0.4	2.9	-0.4	1.6	-0.1	1.4	0.1	1.8		
July	0.1	0.9	-0.4	2.4	-0.1	1.9	-0.1	1.3	0.1	2.0		
August	0.2	0.8	0.2	2.4	0.6	2.3	0.1	0.8	-0.1	1.8		
September	-0.1	0.4	0.5	3.1	0.4	2.2	0.2	0.6	0.0	1.7		
October	0.3	0.7	0.0	2.8	0.8	3.0	0.1	-0.1	-0.1	1.4		
November	-0.4	0.7	-0.1	3.0	-1.0	2.1	-0.5	0.4	-0.7	1.3		
December	0.3	1.3	-0.5	2.2	-0.7	1.9	0.0	1.1	-0.5	0.7		

The June 2015 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on July 17, 2015.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="www.bls.gov/opub/hom/homch17">www.bls.gov/opub/hom/homch17</a> a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsLos Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Mar. 2015	Apr. 2015	May 2015	May 2014	Mar. 2015	Apr. 2015	
Expenditure category							
All items	243.738	243.569	246.093	1.1	1.0	1.0	
All items (1967=100)	720.111	719.611	727.069	-	-	-	
Food and beverages	248.363	249.003	247.443	1.5	-0.4	-0.6	
Food	248.534	249.248	247.421	1.4	-0.4	-0.7	
Food at home	257.960	258.979	255.264	0.3	-1.0	-1.4	
Food away from home	233.064	233.381	233.981	3.0	0.4	0.3	
Alcoholic beverages	231.359	231.071	232.811	2.7	0.6	3.0	
Housing	265.421	265.396	266.349	2.9	0.3	0.4	
Shelter	299.897	300.314	301.386	3.8	0.5	0.4	
Rent of primary residence (1)	313.508	313.992	314.721	4.0	0.4	0.2	
Owners' equiv. rent of residences (1) (2)	311.722	312.205	313.105	3.4	0.4	0.3	
Owners' equiv. rent of primary residence (1) (2)	311.712	312.195	313.094	3.4	0.4	0.3	
Fuels and utilities	295.360	294.684	298.753	0.3	1.1	1.4	
Household energy	261.682	260.958	266.492	-2.5	1.8	2.1	
Energy services (1)	260.382	259.737	265.255	-2.5	1.9	2.1	
Electricity (1)	304.112	306.635	306.635	0.8	0.8	0.0	
Utility (piped) gas service (1)	206.125	199.661	215.739	-10.0	4.7	8.1	
Household furnishings and operations	117.203	115.963	115.244	-2.2	-1.7	-0.6	
Apparel	110.898	108.358	110.471	-2.9	-0.4	2.0	
Transportation	201.691	200.506	213.384	-2.4	5.8	6.4	
Private transportation	196.427	194.605	207.094	-2.3	5.4	6.4	
Motor fuel	258.782	249.347	300.219	-7.7	16.0	20.4	
Gasoline (all types)	253.274	244.038	293.976	-7.7	16.1	20.5	
Gasoline, unleaded regular <sup>(3)</sup>	254.262	245.001	295.729	-7.7	16.3	20.7	
Gasoline, unleaded midgrade (3) (4)	241.234	232.593	277.528	-7.9	15.0	19.3	
Gasoline, unleaded premium (3)	239.499	231.098	276.149	-7.3	15.3	19.5	
Medical care	421.601	422.773	421.132	1.9	-0.1	-0.4	
Recreation (5)	102.860	102.830	103.319	-1.9	0.4	0.5	
Education and communication (5)	145.710	146.701	146.251	0.6	0.4	-0.3	
Other goods and services.	381.647	381.737	380.934	0.9	-0.2	-0.2	
Commodity and service group							
All items	243.738	243.569	246.093	1.1	1.0	1.0	
Commodities	177.798	176.703	180.690	-1.0	1.6	2.3	
Commodities less food & beverages	140.160	138.369	144.559	-2.7	3.1	4.5	
Nondurables less food & beverages	183.253	179.607	192.392	-3.4	5.0	7.1	
Durables	98.057	98.026	97.963	-1.3	-0.1	-0.1	
Services	301.870	302.614	303.635	2.4	0.6	0.3	
Special aggregate indexes							
All items less medical care	235.802	235.590	238.232	1.1	1.0	1.1	
All items less shelter	219.281	218.858	222.010	-0.4	1.2	1.4	
Commodities less food	144.221	142.464	148.562	-2.4	3.0	4.3	
Nondurables	217.046	215.378	221.551	-0.9	2.1	2.9	
Nondurables less food	188.180	184.711	196.920	-3.0	4.6	6.6	
Services less rent of shelter (2)	313.264	314.505	315.533	0.4	0.7	0.3	
Services less medical care services	291.310	292.017	293.149	2.5	0.6	0.4	
Energy	260.937	254.791	288.555	-6.0	10.6	13.3	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsLos Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued

	Indexes			Percent change from-			
Item and Group	Mar. 2015	Apr. 2015	May 2015	May 2014	Mar. 2015	Apr. 2015	
All items less energy		244.636 244.138			0.2 0.3	0.1 0.3	

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

NOTE: Index applies to a month as a whole, not to any specific date.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>&</sup>lt;sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

<sup>-</sup> Data not available